

PRELIMINARY REPORT
EVALUATION OF REUSE AND DISPOSAL OPTIONS FOR
Portion of PMA No. 1113

Resolution 29799 directs the Executive to make its recommendations on the reuse or disposal of excess property on a case by case basis, using *the Procedures for Evaluation of the Reuse and Disposal of the City's Real Property* adopted by that resolution. Additionally, the Resolution identifies guidelines, which are to be considered in making a recommendation. This report addresses each of the guidelines outlined in Resolution 29799 in support of the recommendation. This report also follows those provisions of Resolution 30862, adopted May 1, 2006, that amended Resolution 29799.

Property Management Area: **Portion of PMA No. 1113 – Seattle Public Utilities**
47th Ave SW

BACKGROUND INFORMATION

Legal Description: Portion of Lot B, City of Seattle Short Plat Number 81-230-0270, recorded under recording number 8309120907, being a portion of Tracts 1 and 2, Westwood by the Sound, according to the plat thereof recorded in Volume 27 of Plats, Page 38, in King County, Washington, and a portion of the south 75 Feet of Government Lot 3, Section 2, Township 23 North, Range 3 East, Willamette Meridian, in King County, Washington. Said portion of Lot B being that wedge-shaped portion to the southeast of a line extending northeasterly to 47th Avenue SW from the southwestern corner of the property along the southeastern boundary of the property.

Physical Description and Related Factors: PMA 1113 is an irregularly shaped parcel currently used for landslide mitigation, and drainage. The portion of PMA 1113 which will be sold (“subject parcel”) is a triangular shaped parcel formed from a portion of tax parcel 022303-9328, north of and adjacent to tax parcel 9322800340. PMA 1113 located in a Southwest Seattle neighborhood of single family, water view homes. The topography is generally steep. The subject parcel is 960 feet west of Marine Drive SW, 3,718 feet southwest of SW Brace Point Drive, and 4,018 feet northwest of the intersection of 35th Avenue SW and SW 106th Street.

The subject parcel that SPU proposes to sell is described as follows: the southeast point of PMA 1113 beginning from its’ southeasterly point on 47th Avenue SW, then proceeding northwesterly 22.9’ northwest to a point along the line, thence continuing 22.8’ northwest to a point representing the northeasterly corner of the proposed lot, thence 60.5’ southwest to a point representing the southwesterly corner of the lot, thence 84.9’ east to the point of beginning. This comprises approximately .030 acres. There are public 18” storm drain and 8” sanitary sewer pipes along the northwest portion of the proposed boundary. A corresponding easement is already in place and will be retained. The subject parcel will require segregation from the parent parcel.

GUIDELINE A: CONSISTENCY

The analysis should consider the purpose for which the property was originally acquired, funding sources used to acquire the property, terms and conditions of original acquisition, the title or deed conveying the property, or any other contract or instrument by which the City is bound or to which the property is subject, and City, state or federal ordinances, statutes and regulations.

PMA 1113 was originally purchased in 1987 after a landslide occurred on this property. The City replaced a damaged sewer main and stabilized the slope. The portion that will be sold is the southeast triangular tip which abuts the neighboring property and 47th Avenue SW. Most of the properties on the west side of 47th Avenue SW in the immediate neighborhood are on hillside lots, which offer expansive views. The abutting property owners have a deck that encroaches on this property and have entered into a use agreement with the City. They inherited the encroachment from the previous owner. Their stated reason in purchasing the subject parcel is to correct the encroachment.

GUIDELINE B: COMPATIBILITY AND SUITABILITY

The recommendation should reflect an assessment of the potential for use of the property in support of adopted Neighborhood Plans; as or in support of low-income housing and/or affordable housing; in support of economic development; for park or open space; in support of Sound Transit Link Light Rail station area development; as or in support of child care facilities, and in support of other priorities reflected in adopted City policies.

PMA 1113 consists of a steep slope with associated drainage problems and slide activity. As mentioned before, the City has expended significant funds to mitigate this problem. The property is not suitable for development. A number of sanitary sewer and drainage utility lines traverse the property along the northern boundary of the subject parcel. If the subject property is sold, Seattle Public Utilities will need to retain an easement for maintenance these utility lines.

Context.

There are several city-owned properties in the general area.

Location	Size	Description	Approx. Location relative to PMA	Jurisdictional Department
9899 50 th Ave SW PMA 1653	5845 sq feet	Endolyne Park	1600 feet northwest	Seattle Parks and Recreation
47 th Ave SW PMA 485	47480 sq feet	Arroyo Heights Greenbelt	985 feet southeast	Seattle Parks and Recreation
4520 SW Brace Point Drive PMA 684	6848 sq feet	Fauntleroy Substation	3600 feet northeast	Seattle City Light

Range of Options. The options for disposition of the subject parcel include retention by the City for a public purpose, long-term ground lease, negotiated sale with a motivated purchaser, or sale by public bid. An Excess Property Notice for this property was circulated August 29, 2008 to assess other City department and public entity interest in use of the property. No City department identified a current or future use for the subject parcel or expressed concerns regarding the property. Given the lack of identified current or future municipal use, long-term lease or retention of the property is not in the City's best interests. A neighboring property owner has expressed interest in acquiring the property to cure an encroachment on PMA No. 1113 by their deck. They currently have a use agreement with the City for the portion of property they occupy. Sale to the neighboring property owner for market value

as determined by an appraisal or similar market analysis is the most prudent and equitable manner of selling this property.

GUIDELINE C: OTHER FACTORS

The recommendation should consider the highest and best use of the property, compatibility of the proposed use with the physical characteristics of the property and with surrounding uses, timing and term of the proposed use, appropriateness of the consideration to be received, unique attributes that make the property hard to replace, potential for consolidation with adjacent public property to accomplish future goals and objectives, conditions in the real estate market, and known environmental factors that make affect the value of the property.

Highest and Best Use:

Single family use by selling to the abutting neighbors is the highest and best use for the subject parcel. Selling this small portion of PMA No. 1113 will not affect the overall use of the larger parcel which will be retained by the City for slide mitigation, drainage control and sewer easement. Allowing the abutting owner to add this portion of PMA No. 1113 to their existing single family lot will also cure an encroachment. The City's retention of an easement for the utility lines will prevent further development of this subject parcel.

Compatibility with the physical characteristics:

The subject parcel would be added to the northeast corner of the abutting property to resolve an encroachment. Due to topography and utility easements this portion of the property cannot be developed.

Compatibility with surrounding uses:

Due to development constraints imposed by topography and the City's retention of an easement for utility lines, sale of the subject parcel to the abutting owner would not result in a significant change to the site, or to the surrounding neighborhood.

Timing and Term of Proposed Use:

The proposed sale resolves an encroachment on City property. The portion of City property to be sold is encumbered with utility easements and further development is significantly limited. The current owners inherited an encroachment that was created by the previous owner. They approached SPU with the intent to have this resolved, and signed a use permit agreement. The larger lot will be retained by SPU for slide control.

Appropriateness of the consideration:

SPU proposes to negotiate a sale of the subject parcel to the neighboring property owner based on an appraisal or similar market analysis.

Unique Attributes:

Drainage and sewer pipelines run across the proposed parcel which further inhibits future development. The entire area of this parcel will be subject to an easement held by Seattle Public Utilities, prevent any additional development on this section of land.

Potential for Consolidation with adjacent public property:

Integration of the southeast portion with the abutting property will alleviate an encroachment problem while maintaining the majority of PMA No. 1113 under Seattle Public Utility ownership, jurisdiction, and slide control prevention. The size of the proposed parcel would make it impractical for any other use.

Conditions in the real estate market:

Although the Seattle area real estate market has not been hit as hard as the national market, declines were seen in all ranges of the local market over the past year. Seattle home prices were down 15% from year over January 2009. Prices were down 19.7% from July 2007. There is some optimism in that the number of pending sales increased from 1,611 in February 2009 to 2,058 in March in King County, a 28% jump. This is significantly stronger than last year's jump – only 10% in 2008. Statistics from the Northwest Multiple Listing Service indicate that sales of undeveloped land remain comparatively strong. For a pool of 69 closed transactions of raw land, 43.5% of those sales were on the market for 30 days, and another 23.2% less between 31-60 days. The average selling price for these listings was 90% of listing price. The remaining 33% of sales were on the market for 61-120 days, and the average listing price ranged from 81.6% to 90.9% of listing price. Thus, although the tight credit market has created uncertainties for developers, the scarcity of appropriately priced development lots and land is likely to keep property values on undeveloped land strong over the long run.

Known environmental factors:

The parcel is located on an unstable slope with steep topography, and previous landslide problems. There are potential drainage issues. The reservation of an easement on the portion of the parcel being sold should limit the potential for negative environmental impact because it will prohibit development and disturbance of the slope.

GUIDELINE D: SALE

The recommendation should evaluate the potential for selling the property to non-City public entities and to members of the general public.

PUBLIC INVOLVEMENT

An excess property notice was mailed to approximately 171 neighboring properties within a 1,000 foot radius on September 3, 2008. As of May 11, 2009 FFD received a total of 3 written comments, and 2 telephone calls. The written comments were follow-up to the telephone calls. One written comment and telephone call was from a property owner on Maplewood Place SW, which lies west, and at a lower grade from the subject parcel. This owner was concerned that any development could cause drainage and slide problems. The property owner was advised that no development would be allowed on this property as it is an easement for sewer and drainage pipes. Another written and telephone response came from the interested adjoining property owner, who wanted to reemphasize her interest in purchasing this parcel. Another letter came from a neighboring property owner who acknowledged the notice and expressed an interest in being informed on other excess City properties (This responder was advised to refer to the City of Seattle website for necessary information on the disposition status of other excess city property).

RECOMMENDATION

Sale of the southeast portion of PMA No. 1113 to the adjoining property owner will cure an existing encroachment on City property resulting from the construction of a deck by a previous owner. FFD's Real Estate Services Division concurs with Seattle Public Utilities that the portion of PMA No. 1113 identified in this report be offered for sale to the abutting owner upon approval by the City Council.

THRESHOLD DETERMINATION

The Disposition Procedures provide that FFD assesses the complexity of the issues on each excess property following the initial round of public involvement. The purpose of this analysis is to structure the extent of any additional public input that should be obtained prior to forwarding a recommendation to the City Council. The Property Threshold Determination Form prepared for property adjacent to 10401 47th Avenue SW is attached at the end of this report. Due to the small size of the subject parcel, the limitations on future development, and the lack of interest from other City departments and public agencies, disposition of this property is determined to be a “Simple” transaction.

NEXT STEPS

Following preparation of this Preliminary Report, FFD will provide a summary to the Real Estate Oversight Committee, to all City departments and Public Agencies that expressed an interest in the Excess Property, and to members of the public who responded to the Initial Public Notice. This notice will advise how to obtain a full copy of the report and that FFD will consider comments on the Preliminary Report for 30 days after mailing and will direct where and to whom any comments should be addressed. FFD will also post one sign visible to the public at each street frontage abutting the Excess Property which provides the same information.

After comments are received after the posting of the Preliminary Report, FFD then revises its recommendation as appropriate. The Preliminary Report is then forwarded to the City Council with any legislation necessary to implement the recommendation for the excess property. All comment-makers and other interested parties are provided with at least two-week notice of the hearing at which the City Council makes a decision concerning disposition of a portion of PMA No. 1113.

PROPERTY REVIEW PROCESS DETERMINATION FORM

Property Name:	A portion of property adjacent to 10401 47 th Avenue SW		
Address:	104XX 47 th Avenue SW Seattle, WA		
PMA ID:	1113	Subject Parcel #	A portion of 022303-9328
Dept./Dept ID:	Seattle Public Utilities	Current Use:	Easement, landslide control
Area (Sq. Ft.):	Portion to be sold-1,289 sq ft.	Zoning:	SF 9600
Est. Value:	\$17,453.00	Assessed Value:	\$ 13.54 Sq Ft

PROPOSED USES AND RECOMMENDED USE

Department/Governmental Agencies: None *Proposed Use: N/A*

Other Parties wishing to acquire: Adjacent Property Owners. *Proposed Use: Cure encroachment*

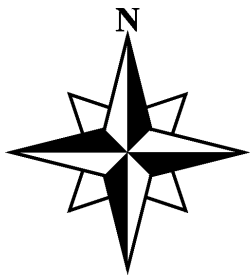
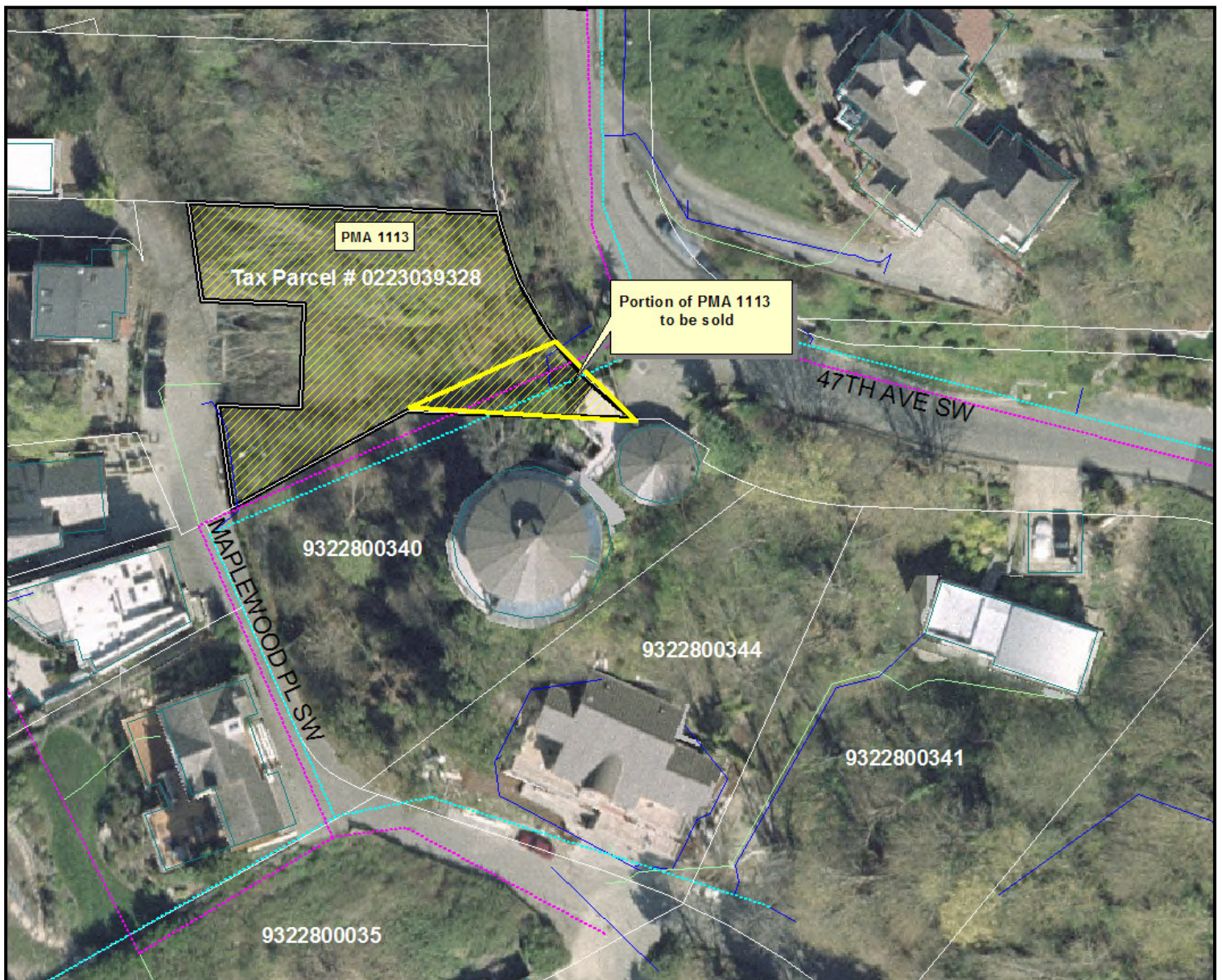
RES'S RECOMMENDED USE:
Sell to adjacent owner to the south of the subject.





PROPERTY REVIEW PROCESS DETERMINATION (circle appropriate response)

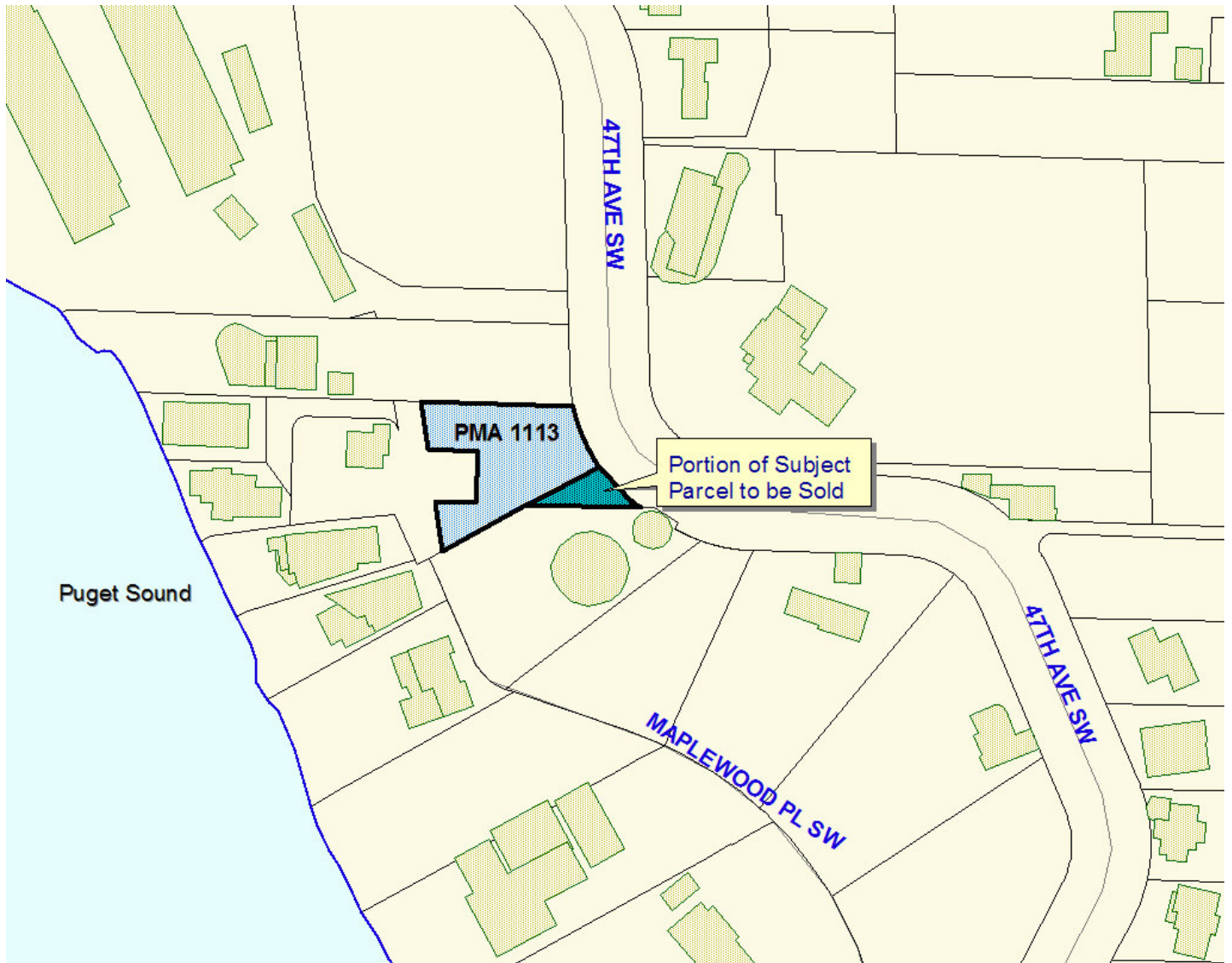
1.) Is more than one City dept/Public Agency wishing to acquire?	<input type="checkbox"/> No / Yes	15
2.) Are there any pending community proposals for Reuse/ Disposal?	<input type="checkbox"/> No / Yes	15
3.) Have citizens, community groups and/or other interested parties contacted the City regarding any of the proposed options?	<input type="checkbox"/> No / Yes	15
4.) Will consideration be other than cash?	<input type="checkbox"/> No / Yes	10
5.) Is Sale or Trade to a private party being recommended?	No / <input checked="" type="checkbox"/> Yes	25
6.) Will the proposed use require changes in zoning/other regulations?	<input type="checkbox"/> No / Yes	20
7.) Is the estimated Fair Market Value between \$250,000-\$1,000,000?	<input type="checkbox"/> No / Yes	10
8.) Is the estimated Fair Market Value over \$1,000,000?	<input type="checkbox"/> No / Yes	45
Total Number of Points Awarded for "Yes" Responses:		25

Property Classification for purposes of Disposal review: ☒ Simple / Complex (circle one) (a score of 45+ points results in a "Complex" classification)

Signature: Richard Gholaghong Department: FFD Date: May 22, 2009



Legend	
Proposed Parcel	
Sanitary Sewer Mainline	
Drainage Mainline	
Side Sewer Line	



Street Map